

Debt Collection

Office of the Staff Judge Advocate LEGAL ASSISTANCE I Corps (Fwd) and U.S. Army Japan

Most likely you will never come in contact with a debt collector, but if you do, you should know that there is a federal law to make sure you are treated fairly, called the Fair Debt Collection Practices Act of 1978. Debts for personal, family, and household goods and services are all covered under the Act. The law does not apply to Japanese debt collectors for debts incurred here in Japan. Of course, the law does not erase any legitimate debt that you owe.

Many states have their own debt collection laws. Check with your state's Attorney Generals Office to determine your rights under state law.

What Types of Debt Collection Practices Are Prohibited?

Under Federal law, debt collectors may not:

- Use threats of violence or harm to you, your property or your reputation;
- Use obscene or profane language;
- Repeatedly use the telephone to annoy;
- Advertise or misrepresent your debt, or give anyone false credit information about you;
- Use false names, or claim to be attorneys or government representatives if they are not;
- Claim you committed a crime, or say that you'll be arrested if you don't pay;
- Say that papers being sent are legal forms when they are not, or say that papers are not legal forms when they are;
- Threaten to take, garnish, attach, or sell your property or wages, unless the collection agency or the creditor intends to do so, and it is legal;
- Send you anything that looks like an official court or government document;
- Say actions will be taken against you, which are not legal;
- Collect any amount greater than your debt, unless allowed by law;
- Deposit a post-dated check before the date on the check.

How May a Debt Collector Contact Me?

A debt collector may contact you in person, by mail, by telephone or fax. Within five days after you are first contacted, the collector *must* send you a written notice telling you the amount of money you owe, the name of the creditor you owe money to, and what to do if you want to dispute the debt (*see below*). A debt collector may contact other people, but only to find out where you live or work. The debt collector is usually not allowed to tell anyone other than you and your attorney that you owe money.

Can I Stop a Debt Collector From Contacting Me?

Yes. You can stop a debt collector by writing a letter to the collection agency telling them to stop. Once they receive this letter, they may not contact you again except to say that there will be no further contact or that some specific action may be taken against you.

What If I Don't Owe the Money That the Collector Wants?

If you believe that you do not owe the money that the debt collector is trying to collect, send a letter to the debt collector to dispute the bill. The debt collector may not contact you if you send the collector a letter within 30 days after you are first contacted stating that you do not owe the money. However, a debt collector can renew collection activities if they send you proof of the debt, such as a copy of the bill.

What Should I Do When I Have Contact With a Debt Collector?

Keep copies of all letters, faxes or e-mails you receive from the debt collector and anything you send to the creditor. When you mail anything to the debt collector, be sure to use certified mail, return receipt requested. Also, keep a log of any telephone conversations you have with the debt collector.

What Can I Do If the Debt Collector Breaks the Law?

1. Send the debt collector a letter stating that the collector has violated your rights under the Act.
2. You also have the right to sue the debt collector in a state or federal court within one year from the date the law was violated. If you win, you may recover money for the damage you suffered.
3. Many states have their own debt collection laws. Check with your state's Attorney Generals Office to determine your rights.
4. You may also file a complaint with the Federal Trade Commission by contacting the Consumer Response Center at 1-877-FTC-HELP (382-4357) or by visiting their website at www.ftc.gov.

Debt Collection is distributed by the Camp Zama Legal Assistance Office, located in Building 101, Room CE209. Our office hours are 08:30 to 12:00 and 13:00 to 16:30 Monday through Friday, except Thursday 13:00 to 15:00. You may call us for an appointment at DSN 263-4698/commercial 046-407-4698.